

Chapter 15 CHILD CARE

15.1.0 INTRODUCTION

W-2 provides a child care subsidy to W-2 employment position participants, families who require child care to obtain or retain employment, and teen parents in school. All eligible families will be funded. Parents must use regulated child care providers and will receive an authorization for reimbursement. Parents are required to make co-payments based on their income and family size, the number of children in subsidized care, and the type of child care provider.

In addition to discussing an applicant's work history, education, skills, etc. when determining job readiness, a W-2 worker must also discuss the applicant's child care needs. At a minimum, child care issues which should be addressed are eligibility, availability of providers, and parents' choice and responsibility in provider selection (including back-up providers). In addition, the worker may refer the parent to the local Child Care Resource and Referral agency (CCRR).

15.2.0 ELIGIBILITY

The W-2 agency is responsible for determining eligibility. All adults in the W-2 group must sign the W-2 application. This includes applications for child care. Counties and participating tribes are responsible for creating authorizations, certifying providers, setting maximum reimbursement rates, and reimbursing child care providers. Face-to-face reviews are not required prior to issuing child care authorization once eligibility has been determined and confirmed.

A family is eligible for a child care subsidy if:

1. The individual applying is:

- The custodial parent of a child who is under the age of 13;
- The custodial parent of a child, age 13 through 18, who has special needs;
- A Kinship Care provider;
- A foster parent; or
- An adult acting in the place of a parent that is providing care and maintenance for a child described in the first two bullet points above;

and

Child care services for that child are needed in order for the individual to do any of the following:

- a. Meet the Learnfare attendance requirements (Note: Learnfare participants cannot be required to pay a child care co-payment);
- b. Work in an unsubsidized job, including training provided by an employer during the regular hours of employment;

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- c. Participate in work training activities in a Wisconsin Works employment position, including job search, orientation and participation in education or training activities consistent with the W-2 employability plan;
- d. Participate in up front job search, orientation, and training activities required after the individual has applied for a W-2 employment position and has not yet verified nonfinancial or financial information that will result in child care eligibility.
- e. Participate in Food Stamp Employment and Training (FSET) job search and work experience programs. NOTE: FSET participants cannot be required to pay a child care co-payment during hours of FSET participation. However, FSET participants in unsubsidized employment are required to pay a child care co-payment that is calculated based on the gross income, family size, number of children in care and type of provider category chosen. Therefore, FSET participants may have more than one authorization in place, one with a co-payment and one without a co-payment.
- f. If the individual is a teen parent, including age 18 or 19, obtain a high school diploma or participate in a course of study meeting the standards established by the State Superintendent of Public Instruction for the granting of declaration of equivalency.

If the teen parent is a minor (under age 18), that individual must reside with his or her custodial parent or with a kinship care relative or be in a foster home, treatment foster home, a group home, or an independent living arrangement supervised by an adult in order to be eligible for child care while attending high school or its' equivalent.

A minor teen parent living in an unsupervised independent living arrangement is eligible for child care while employed, if s/he meets all other nonfinancial and financial tests.

All teen parents, including 18 and 19 year olds, who meet child care eligibility requirements are responsible for the minimum possible co-payment, which is the same amount paid by families at or below 70% of the Federal Poverty Level.

Note: Learnfare participants cannot be required to pay a child care co-payment);

- g. For adults 20 years and older, participate in other employment skills training course of study that the W-2 agency determines would facilitate the individual's efforts to obtain or maintain employment in the same or another profession, including:
 - Basic education, including an English-as-a-Second Language;
 - Literacy tutoring;

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- A course of study meeting the standards established by the Department of Public Instruction under s. 115.29 (4), Stats., for the granting of a declaration of equivalency of high school graduation;
- A course of study at a technical college; or
- Participation in educational courses that provide an employment skill, as determined by the Department.

An individual may receive child care under this provision for up to two years if:

1. The individual is employed; or
 2. The individual is a participant in a W-2 employment position.
- h. Participate in assigned activities, including job search, training, or orientation when placed on the Unsubsidized Employment rung of the W-2 ladder and coded CMS.
2. Is a citizen or qualified alien.
 3. Resides and intends to continue to reside in Wisconsin (intent to reside does not apply to migrant workers).
 4. The individual furnishes the W-2 agency with any relevant information that the W-2 agency determines is necessary, consistent with rules promulgated by the Department, within seven working days after receiving a request for the information from the W-2 agency.
 5. All households where paternity has not been established or an absent parent exists for a child in the assistance group must be formally referred to the local child support agency as a condition of eligibility. After the household has been found eligible for W-2 child care, cooperation with child support is mandatory to maintain eligibility, unless good cause has been established. (see Section 2.2.2). The child support agency must be notified within two days of a change in child care status, which includes notification of termination of child care eligibility.

The individual must fully cooperate in efforts directed at establishing the paternity of the dependent child and obtaining support payments or any other payments or property to which that individual and the dependent child may have rights. An individual who fails three times to meet the requirements remains ineligible until the individual cooperates or for a period of six months, whichever is later.

6. The individual has not been determined to have intentionally violated, on three separate occasions, W-2 statutory provisions or rules.

Families that are applying for child care for the first time are financially eligible if their gross income is equal to or less than 185 percent of the federal poverty level. For the most part, the agency must disregard income in accordance with the W-2

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income disregard policy (see 3.2.7.5). However, use the adjusted gross income of self-employed families rather than the gross income. (See the Child Care Manual for details on how to determine adjusted gross income).

Families that are receiving a child care subsidy remain eligible for child care until their income exceeds 200 percent of the federal poverty limit for 2 consecutive months.

W-2 child care pays for child care for children under age 13 and children ages 13 through 18 who have special needs. Special needs children are eligible through their 18th birthday. In addition, W-2 agencies should work with Community Steering Committees and Children's Services Networks to develop community responses for needed services to special needs children and all youth. Counties can also use community aids funds to pay for crisis respite.

The FEP shall determine when a W-2 participant has good cause for not complying with W-2 participation requirements because child care was necessary to participate but was not available. (See 11.3.1).

15.3.0 CHILD CARE CO-PAYMENTS

Parents are required to make child care co-payments based on their income and family size, the number of children in subsidized care, and the type of child care provider. Under this new co-pay schedule, co-payments will not exceed 12 percent of gross income, whether they choose a licensed or certified provider. Children that are authorized for a total of 20 or fewer hours a week will be assessed one half of their share of the co-pay when determining the provider payment. Parents who have just left a subsidized W-2 employment position for unsubsidized employment have an additional month of using the minimum co-pay to determine the child care provider payment.

15.4.0 PARENT CHOICE & RESPONSIBILITY

Parents in W-2 child care have the option of choosing among a large range of child care providers. Parent options include licensed day care centers, licensed family day care homes, and either regularly or provisionally certified providers that are required to meet basic health and safety standards. Parents will pay a co-payment based on a sliding scale determined by gross monthly income, family size, number of children in subsidized care, and the type of child care provider chosen. Parent co-pay responsibilities are detailed in DWD administrative rules. (See the Child Care Handbook for the co-pay table.).

15.5.0 PROVIDER REGULATIONS

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Under W-2, child care providers must be licensed or certified. Licensing laws and rules remain unchanged under W-2, except for a requirement for criminal records checks. Licensing is administered at the state level. Licensing includes extensive health and safety standards, staff qualification standards, and ongoing monitoring. Providers are licensed in three categories: group day care centers (serving nine or more children), family day care centers (serving four to eight children), and day camps.

Providers who are not required to be licensed are required under W-2 to be certified to receive public funding. Certification is intended to ensure basic protections for children when public funds pay for child care. Certification standards include criminal record checks, references, and simple health and safety standards. Certification requires a site visit to ensure compliance with standards.

Certification includes two categories:

1. Regular certification, which requires that 15 hours of training have been completed.
2. Provisional certification, which requires no training.

Certified providers caring only for relatives can be reimbursed at the provisional level only. Individuals living in the child's household are not eligible to be reimbursed for child care provided for those household members unless the county/tribe determines that care is necessary because of a special health condition of the child. Certification standards and procedures are detailed in DWD administrative rules and the Child Care Manual.

Individuals who come to a child's home to provide child care can be certified for reimbursement for one of the following reasons as determined necessary by the local agency:

1. The child has a special need;
2. Licensed or certified care is not available during the times care is needed, such as during evening hours or weekend care;
3. Care is provided to 3 or more children from the same family; and
4. Licensed or certified care is not available within a reasonable geographic distance.

Child care providers are not required to be certified in order to be reimbursed when:

1. The care is an arrangement for parents in W-2 training or counseling programs and the child care is provided on-site at that W-2 training or counseling site.
2. The care is a short-term arrangement when a child is ill and not able to receive care from a regulated child care provider or the provider has an emergency due to illness or other circumstances.